

PSC NO: 121 ELECTRICITY  
NEW YORK STATE ELECTRIC & GAS CORPORATION  
Initial Effective Date: 03/01/06

Leaf: 57.1  
Revision: 0  
Superseding Revision:

**SERVICE CLASSIFICATION NO. 3 (Cont'd.)**

**RATE CHOICES AVAILABLE TO CUSTOMER: (CONT'D.)**

**4. NYSEG Variable Price Option (VPO) (Cont'd.)**

Merchant Function Charge:

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply. Customers whose electricity is supplied by an ESCO are not charged for this service. The Merchant Function Charge will be reset annually, to be effective February 1, using the methodology approved by the Commission in Case 05-E-1222.

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